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JAMES H. McKENNEY,
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IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1902.

No. 807 42.

WILLIAM R. WARNER, JR., Executor of the Estate of William R. Warner, deceased,
Appellant,

vs.

THE SEARLE AND HERETH COMPANY, GIDEON D. SEARLE, FRANK S. HERETH and O. T. EASTMAN,
Appellees.

On Appeal from the United States Circuit Court of Appeals, for the Seventh Circuit.

Brief for Appellees on Motion to Dismiss Appeal.

PHILIP C. DYRENFORTH,
Counsel for Appellees.

Geo. Hornstein Co., Printers, Chicago.

IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1902.

No. 307

WILLIAM R. WARNER, JR., Executor of the Estate of William R. Warner, deceased,
Appellant,

vs.

THE SEARLE AND HERETH COMPANY, GIDEON D. SEARLE, FRANK S. HERETH and O. T. EASTMAN,
Appellees.

On Appeal from the United States Circuit Court of Appeals, for the Seventh Circuit.

NOTICE OF MOTION TO DISMISS APPEAL.

Messrs. Frank T. Brown and Samuel E. Darby, Counsel for Appellant:

GENTLEMEN:—Please take notice that on Monday, the 27th day of April, 1903, I shall appear before the Supreme Court of the United States, and at the opening of court on said day, or as soon thereafter as counsel can be heard, I shall present to the court a motion to dismiss the above-entitled appeal upon the ground that said court is without jurisdiction to hear and determine said appeal.

A copy of said motion is herewith furnished you, and also, in compliance with the rule of the Supreme Court prescribing the mode of procedure for a motion of this nature, a copy of the brief of argument to be submitted with the said motion in support thereof.

PHILIP C. DYRENFORTH,
Counsel for Appellees.

Service of the above notice, together with a copy of the motion and a copy of the brief therein referred to, is acknowledged this 6th day of April, 1903.

FRANK T. BROWN,
SAMUEL E. DARBY,
Counsel for Appellant.

MOTION TO DISMISS APPEAL.

Now come the appellees, The Searle & Hereth Company, Gideon D. Searle, Frank S. Hereth and O. T. Eastman, by their counsel, Philip C. Dyrenforth, and move that the above-entitled appeal be dismissed upon the ground that this court is without jurisdiction to entertain the same for the reason that the jurisdiction of the United States Circuit Court in said cause was dependent entirely upon the opposite parties to the suit or controversy being citizens of different States, whereby the judgment or decree of the Circuit Court of Appeals for the Seventh Circuit herein was final under the provisions of Section 6 of the Appellate Courts Act of March 3, 1891.

PHILIP C. DYRENFORTH,
Counsel for Appellees.

Chicago, April 6, 1903.

IN THE

Supreme Court of the United States

OCTOBER TERM, A. D. 1902.

No. 307

WILLIAM R. WARNER, JR., Executor of the Estate of William R. Warner, deceased,
Appellant,

vs.

THE SEARLE AND HERETH COMPANY, GIDEON D. SEARLE, FRANK S. HERETH and O. T. EASTMAN,
Appellees.

On Appeal from the United States Circuit Court of Appeals, for the Seventh Circuit.

BRIEF ON MOTION TO DISMISS APPEAL.

May it Please the Court:

The motion herewith presented to dismiss the above entitled appeal is based on the first paragraph of Section 6 of the Appellate Courts Act of March 3, 1891, particularly that portion which defines the cases in which the judgments and decrees of the Circuit Courts of Appeals shall be final.

The paragraph referred to, with the portions pertinent to this motion italicized, is as follows:

"Sec. 6. That the Circuit Courts of Appeals established by this Act shall exercise appellate jurisdiction to review by appeal or writ of error final decisions in the District Courts and the existing Circuit Courts in all cases other than those provided for in the preceding Section of this Act, unless otherwise provided by law, *and the judgments or decrees of the Circuit Court of Appeals shall be final in all cases in which the jurisdiction is dependent entirely upon the opposite parties to the suit or controversy being* aliens and citizens of the United States, or *citizens of different States;* also in all cases arising under the patent laws, under the revenue laws, and under the criminal laws and in admiralty cases."

The bill of complaint, filed in the United States Circuit Court for the Northern District of Illinois, Northern Division, charged infringement of an alleged trade-mark in the word "Pancreopepsine" applied to a medicinal preparation designed for use in digestive disorders. It contains the well-known remedies, pancreatin and pepsin. (R., p. 35.) The defendants make and sell a preparation for the same purpose which they call "Pancro-Pepsin," pancreatin and pepsin being the predominant medicinal ingredients. The Circuit Court on final hearing entered a decree in favor of the complainant for an injunction and accounting. In the opinion (R., p. 200), the court (Judge Kohlsaat) held that, aside from the similarity of the designations, unfair competition was not established. Within thirty days an appeal from the order of the Circuit Court granting the injunction was taken to the Circuit Court of Appeals, and the decree of the Circuit Court was there reversed and the bill ordered dismissed (R., p. 207). An appeal to this court was allowed on an *ex parte* application by counsel for appellee in the Circuit Court of Appeals, but a motion to stay the mandate during the pendency of the appeal to the United States Supreme Court was overruled (R., p. 214).

AN EXAMINATION OF THE RECORD WILL SHOW THAT, THOUGH A REGISTERED TRADE-MARK IS MENTIONED IN THE BILL OF COMPLAINT AND IN THE TESTIMONY, THERE IS NOTHING WHATEVER, EITHER IN THE PLEADINGS OR PROOFS, WHICH MAKES IT A FACTOR IN THE CASE, UNLESS IT BE AS AN AID IN ESTABLISHING THE DATE OF ADOPTION. THERE IS NO DEFINITE ALLEGATION AND NO SHOWING THAT THE COMPLAINANT, WILLIAM R. WARNER, EVER USED THE ALLEGED TRADE-MARK IN COMMERCE WITH A FOREIGN NATION OR AN INDIAN TRIBE SINCE THE YEAR 1882, JUST PRIOR TO THE REGISTRATION, WHEN TWO CONSIGNMENTS WERE MADE TO AUSTRALIA, SEEMINGLY AS A MERE BASIS FOR THE REGISTRATION.

THERE IS NO ALLEGATION AND NO SHOWING THAT THE DEFENDANTS, OR EITHER OF THEM, EVER USED THE DESIGNATION COMPLAINED OF IN COMMERCE EITHER WITH A FOREIGN NATION OR WITH AN INDIAN TRIBE, OR APPLIED IT TO GOODS INTENDED FOR SUCH COMMERCE.

ALL THE ALLEGATIONS OF THE BILL REFERRING TO THE RIGHT OF THE COMPLAINANT, AND ALL THE PROOFS IN THAT BEHALF, ARE PERTINENT TO A SUIT FOR INFRINGEMENT OF A COMMON LAW TRADE-MARK.

AN EXAMINATION OF THE BILL OF COMPLAINT ALONE MAKES IT OBVIOUS THAT THERE COULD BE NO FEDERAL JURISDICTION IN THIS CAUSE IF THE OPPOSITE PARTIES HAD BEEN CITIZENS OF THE SAME STATE, AND HENCE SUCH JURISDICTION WAS DEPENDENT ENTIRELY UPON THE OPPOSITE PARTIES BEING CITIZENS OF DIFFERENT STATES.

THE PLEADINGS.

1. *This court is without appellate jurisdiction of this cause on the face of the pleadings.*

The bill of complaint recites that the trade-mark "Pancreopepsine" was registered by the complainant in the United States Patent Office December 26, 1882, and a copy of the certificate, No. 9911, is annexed to the bill; but the bill nowhere charges that the defendants have infringed the complainant's rights under the registered trade-mark, *because there is no allegation in the bill that the defendants have used their alleged infringing designation in commerce with any foreign nation or with any Indian tribe.* The only allegation of infringement is that the defendants have sold their medicinal preparations with the alleged infringing designation "in the Northern District of Illinois, and elsewhere," (R., p. 4). The bill further alleges that the public in general, and particularly the citizens of the Northern District of Illinois, associate the name with the complainant's medicinal preparation and that the defendants' designation is a fraud and deception upon such of the citizens of the Northern District of Illinois, and elsewhere, as purchase the defendants' product believing it to be the complainant's, and that the public generally, and particularly the citizens of the Northern District of Illinois, are damaged and misled (R., p. 5). The bill alleges that the complainant, prior to the commencement of his suit, had sold large quantities of his medicinal preparation provided with his alleged trade-mark throughout the United States and in commerce with foreign countries, and particularly in the cities of Philadelphia and Chicago (R., p. 2); but if the allegation as to commerce with foreign countries is intended

to imply that large quantities had been sold in foreign countries, it is not supported by the testimony, as will be shown later. However, the allegation would obviously be satisfied by the sale of two bottles of the preparation in foreign countries and all the rest in the United States.

On the other hand, the bill of complaint, as amended by leave of court at the final hearing to allege the statutory amount in controversy (R., p. 182), and as further amended by stipulation to make it state definitely the diverse *citizenship* of the parties (R., p. 201-2), contains all allegations requisite to support a bill for infringement of a common law trade-mark and give Federal jurisdiction by reason of diverse citizenship.

It is plain from the language of the statute above quoted, and from decisions of this court, that the word *"entirely"* is of controlling importance.

American Sugar Refining Co. v. *New Orleans,* 181 U. S., 275;

Union Pacific Railway Co. v. *Harris,* 158 U. S., 326;

Howard v. *Stewart,* 184 U. S., 754;

Press Publishing Co. v. *Monroe,* 164 U. S., 105;

Ex parte Chas. F. Jones, 164 U. S., 691;

Northern Pacific Co. v. *Amato,* 144 U. S., 465;

Sonnentheil v. *Christian Morlein Co.,* 172 U. S., 401;

Third Street & Suburban Railway Co. v. *Lewis,* 173 U. S., 458;

The Colo. Cent. Consol. Mining Co. v. *Turck,* 150 U. S., 137;

Borgmeyer v. *Idler,* 159 U. S., 407;

Benjamin v. *New Orleans,* 169 U. S., 161.

It is submitted, however, that the mere recital in the bill of complaint of the fact of registration of a trade-mark in the Patent Office, unaccompanied by any allegation that the supposed rights of the complainant under the registered trade-mark to exclusive use in lawful commerce with foreign nations and Indian tribes have been invaded by the defendant, cannot serve to force appellate jurisdiction upon the United States Supreme Court. An allegation of registration, where registration has been had, is a pertinent and material fact to be alleged in every bill of complaint for infringement of a common law trade-mark, whether brought in a State court or in a Federal court, since the certificate of registration is an important matter of evidence, at least on the subject of the date of adoption. In the present case the allegation that the complainant, William R. Warner, had registered his trade-mark "Pancreopepsine" on the 26th day of December, 1882, was entirely proper as referring to a matter of record evidence to show an early date of adoption, but beyond this, in view of the other allegations in the bill of complaint, it had no effect whatever. The bill of complaint, in order to be sustained for infringement of a registered trade-mark, must allege infringement of the registered trade-mark by interference on the part of the defendant with the rights secured to the complainant by the registered trade-mark, and these rights are expressly limited to commerce with foreign nations and with the Indian tribes. This question was before this court in the case of *Ryder* v. *Holt*, 128 U. S., 525, where the court said:

> "But it is now assigned for error that, as defendant and complainants below were citizens of the same State, and the bill did not allege that the trade-mark in controversy was 'used on goods intended to be transported to a foreign country' (A. March 3, 1881, Chap. 138, Sec. 11; 21 Stat. at L. 502), the Circuit Court had

no jurisdiction, and the decree must be reversed for that reason."

The above decision goes no further than the exigencies of the case demanded, and follows literally the language of Section 11 of the Act. Two sections of the Act, viz., Sections 7 and 11, relate to Federal jurisdiction, and in order that they may be understood they must be considered together and in the light of the origin and plain intent of the entire Act. Section 7 with the relevant part italicized is as follows:

> "Sec. 7. That registration of a trade-mark shall be *prima facie* evidence of ownership. Any person who shall reproduce, counterfeit, copy, or colorably imitate any trade-mark registered under this act and affix the same to merchandise of substantially the same descriptive properties as those described in the registration shall be liable to an action on the case for damages for the wrongful use of said trade-mark at the suit of the owner thereof; *and the party aggrieved shall also have his remedy according to the course of equity to enjoin the wrongful use of such trade-mark used in foreign commerce or commerce with Indian tribes, as aforesaid, and to recover compensation therefor in any court having jurisdiction over the person guilty of such wrongful act; and courts of the United States shall have original and appellate jurisdiction in such cases without regard to the amount in controversy.*"

Section 11, with the relevant part italicized, is as follows:

> "Sec. 11. That nothing in this act shall be construed as unfavorably affecting a claim to a trade-mark after the term of registration shall have expired; *nor to give cognizance to any court of the United States in an action or suit between citizens of the same State, unless the trade-mark in controversy is used on goods intended to be transported to a foreign country, or in lawful commercial intercourse with an Indian tribe.*"

Neither section is explicit as to whether the *use* referred to is intended to signify use by the complainant or use by the defendant; but it is presumably the latter, unless use by the complainant *at the time of bringing the suit* is meant, as it may be, since the expression is in the present tense, and further since use by the registrant in commerce with foreign nations or with Indian tribes must have existed at some time prior to registration as a prerequisite thereto, and hence is implied by the registration itself, so that it does not seem reasonable to suppose *that* use to be the one referred to in the conditional clause of Sec. 11. Either interpretation would be fatal to jurisdiction in the present case by virtue of the registration, because there is nothing to show that the complainant was using the designation in foreign commerce at the time the bill was filed (February, 1898), or had used it in such commerce for sixteen years prior to that time, and there is nothing to show that the defendants used it at any time in such commerce. It is especially evident that in Sec. 11 the language *"unless the trade-mark in controversy is used on goods intended to be transported to a foreign country,"* etc., refers to such use by the defendant. That is to say, it is evident that the language was intended to recognize the fact that Federal jurisdiction could always attach under allegations of diverse citizenship and the statutory amount, but that in the absence of these conditions it could attach only under an allegation of interference by the defendant with the complainant's commerce with foreign nations or Indian tribes. This interpretation makes Sec. 11 entirely consistent with the closing part of Sec. 7, viz., "and courts of the United States shall have original and appellate jurisdiction in such cases without regard to the amount in controversy," *i. e.*, cases wherein the defendant infringes the trade-mark in commerce with foreign nations or Indian tribes.

The constitutionality of the Trade-Mark Act of March 3, 1881, has been seriously questioned by the Circuit Court of Appeals for the Seventh Circuit (*Illinois Watch Case Co. v. Elgin National Watch Co.*, 94 Fed. Rep., 667); but it is enough for the present motion to say that it seems plain from the history and logic of the Act that the only ground upon which its constitutionality can be upheld, if at all, is that it is strictly limited in its intent and scope to lawful commerce with foreign nations and with the Indian tribes, and that no infringement of a registered trade-mark can occur except by interference with that commerce. This construction has been repeatedly given to the Act by the Circuit Courts of the country, and also by the Circuit Court of Appeals for the Seventh Circuit, as shown by the excerpts from various decisions given below. Where the Federal court has jurisdiction of the subject matter in this way, it of course has jurisdiction of the parties, whether they are citizens of the same State or of different States, and this without regard to the amount in controversy.

Being based upon the commerce clause of the Constitution, the Act of 1881 might have included commerce among the several States as well as commerce with foreign nations and Indian tribes. In fact, as the bill was originally introduced, it included commerce among the several States. This is clearly stated in Brown on Trade-Marks, 2nd edition, Sec. 285, p. 294, as follows:

> "The bill when introduced in the House of Representatives used the exact words of the third paragraph of the eighth section of the first article of the Constitution. The sub-committee having it in charge, partly through a misconception of the ruling of the Supreme Court, as is manifested by their report, and partly through a fear, which at the time had seized possession of some minds, as to national legislation having a ten-

> dency to interfere with the reserved rights of individual States, struck out the words 'and among the several States.' To insist upon a restoration of these words at that time must have jeopardized the passage of the bill. The Senate would have corrected the error, but the slightest amendment must have inevitably defeated final action, as the term of Congress was near its expiration."

In a note to this section, the author says:

> "Of course, all persons will understand that this limitation does not affect common law rights, although it excludes mere inter-state trade-marks from registration."

Moreover, all common-law rights are expressly preserved by Sec. 10 of the Act.

The portions of the statute to which the above quotations from Brown on Trade-Marks relate are in the preamble, as follows:

> "That owners of trade-marks *used in commerce with foreign nations and Indian tribes,* provided such owners shall be domiciled in the United States, or located in any foreign country, or tribes, which by treaty, convention, or law, afford similar privileges to citizens of the United States, may obtain registration of such trade-marks by complying," etc.,

and in the 2nd, 3rd, 7th and 11th sections of the Act. The language in Sec. 3 is as follows:

> "But no alleged trade-mark shall be registered unless the same appear to be lawfully used as such by the applicant in foreign commerce or commerce with Indian tribes, as above mentioned." * * *

The whole Act is of unusual indefiniteness, and is much in need of judicial construction by this court, in order that its scope and meaning may be definitely and finally deter-

mined. An opportunity to have the Act construed by the United States Circuit Court of Appeals for the Seventh Circuit was narrowly lost in the case of *Aaron B. Wrisley* v. *The Geo. E. Rouse Soap Co. et al.*, 90 Fed. Rep., 5, where the court, by Judge Jenkins, said:

> "We need not determine whether, by virtue of the statute of the United States (21 Stat., 502), a trade-mark registered thereunder can be protected by a court of the United States as a right arising under the laws of the United States, in the absence of diverse citizenship of the parties; nor need we determine whether, assuming such right of jurisdiction, the relief in case of infringement shall be limited to the protection of the right in the use of the trade-mark upon goods intended to be transported to a foreign country, or in lawful commerce or intercourse with an Indian tribe, since no case is made here which would justify us in now passing upon these questions."

However, the same court has since held (in the *Elgin Watch* case) and, as stated in an earlier part of this brief, other courts have held, that the trade-mark statute of 1881 applies only to the use of the trade-mark in commerce with foreign nations and Indian tribes and is not pertinent where the charge of infringement is confined to domestic use of the trade-mark, which seems to be the proper and rational interpretation, having due regard to the constitutional limitation which underlies the statute, and which is expressed in the *Trade-Mark Cases*, 100 U. S., 82. Indeed, in the light of the decision last mentioned, out of which the statute under consideration grew, it is difficult to imagine upon what theory the constitutionality of the Act can be maintained unless it is limited in the manner expressed in the excerpts from decisions given below.

In *Illinois Watch Case Co.* v. *Elgin National Watch Co.*, 94 Fed. Rep., 667, the Circuit Court of Appeals for the Seventh Circuit said (see p. 672):

"If it were allowable to us to assume jurisdiction to grant equitable relief upon the ground of fraud, if the bill were aptly framed to that end, *the relief could only extend in restraint of the wrong, so far as it affected foreign commerce and commerce with the Indian tribes.*"

The Supreme Court, in reviewing the same case (179 U. S., 665) did not touch upon this point.

In *Schumacher* v. *Schwencke et al.*, 26 Fed. Rep., 818, Judge Wheeler said:

"It is alleged that the orator, a corporation, has used this trade-mark on labels in domestic commerce, interstate commerce, and commerce with foreign countries, and that the defendants have in New York applied it to labels not made or sold by or for the orator, and sold the same, and have sold the same in other States of the United States, 'and have sold the same in foreign countries.' These are all the allegations there are as to the use of the trade-mark by the defendants in foreign commerce, and all such sales and use are denied by the defendants. There is nothing in the case about use of it in commerce with any Indian tribe. The courts of the United States have no jurisdiction of suits like this unless it is given by statute under which the trade-mark was registered. (*Trade-Mark Cases,* 100 U. S., 82; *Luyties* v. *Hollender*, 21 Fed. Rep., 281; 21 St. at Large, 504, Chap. 128, Sec. 11.) That statute limits the jurisdiction under it so that it is not conferred '*unless the trade-mark in controversy is used on goods intended to be transported to a foreign country, or in lawful commercial intercourse with an Indian tribe.*' It seems to be understood by the orator's counsel that jurisdiction is given if the trade-mark is used by the orator in foreign commerce, or upon goods intended to be transported to a foreign country. But the authority of Congress over this subject arises from the power to regulate commerce, and does not extend to the protection of trade-marks within a State. (*Trade-Mark Cases,* 100 U. S., 82.) The orator may have a

valid trade-mark and an exclusive right to its use in New York; but, if so, his rights in that respect do not rest upon the laws of the United States. *The registration under the statute only confers a right to it in foreign commerce, and a claim for infringement, or to be protected against infringement, can not arise under the constitution or laws of the United States unless the infringement is upon the right to use it in foreign commerce, which can only be by using the trade-mark without right in such commerce.* The jurisdiction is not conferred at all by express words of the statute; but only by providing a mode of acquiring a right, a suit for the invasion of which would arise under the laws of the United States within the Act of 1875. The clause quoted from is restrictive of that jurisdiction. *The defendants do not infringe upon any right resting upon the laws of the United States unless they use a trade-mark in foreign commerce, and jurisdiction of a suit for such infringement is not left in the courts of the United States unless such infringement consists in using the trade-mark by the defendants upon goods intended to be transported to a foreign country.* The bill falls short of alleging such use; and this court appears to be without jurisdiction to restrain the use which is alleged."

In *Prince's Metallic Paint Co.* v. *Prince Mfg. Co. et al.*, 53 Fed. Rep., 493, Judge Butler said:

"Have we jurisdiction? The plaintiff and the principal defendant are citizens of Pennsylvania. To give us jurisdiction it must therefore appear that a federal cause of action is set out. The breach of a common-law trade-mark is not such a cause. *While registration is averred, there is no charge of infringing the plaintiff's rights under it. Such registration protects the use of the mark in foreign commerce and with Indian tribes; nothing more.* It would seem therefore to follow very plainly that the facts necessary to confer jurisdiction are not averred. The bill is drawn pre-

cisely as if for trial in the State courts; and presents a proper cause of action for these tribunals. It seems to have been supposed that we can redress injuries resulting from trespass on the plaintiff's common-law rights. That we can not is clear, we think, on principle, and has been so decided. (*Schumacher* v. *Schwencke*, 26 Fed. Rep., 818.) Indeed the facts seem to be admitted in the plaintiff's brief at page 4."

In *Glen Cove Mfg. Co.* v. *Ludeling*, 22 Fed. Rep., 823, Judge Wallace said:

"But both parties are citizens of this State, and the jurisdiction invoked is, therefore, founded solely on the act of Congress for the protection of trade-marks and can only be exercised according to the statute which invests the court with authority to hear the controversy. The complainant is here upon his statutory title to enforce his statutory rights in the enjoyment of his trade-marks, and the single question is, therefore, whether these have been invaded. If the defendant has appropriated either of these trade-marks, the complainant, as the party aggrieved, by the language of the Act (Sec. 7) 'shall have his remedy according to the cause of equity to enjoin the wrongful use of such trade-mark.' * * * Unless the complainant's trade-mark is used on goods intended to be transported to a foreign country, by the terms of the act of Congress the court can take no cognizance of the wrong in a suit between citizens of the same state. Sec. 11."

In *Gravely* v. *Gravely*, 42 Fed. Rep., 265, Judge Bond said:

"This is a bill filed to enjoin the defendants from using the trade-mark of the complainants, which had been duly registered under the Act of March 3, 1881. The parties to these proceedings are all citizens and residents of Virginia, so that whatever jurisdiction the court may have to entertain the bill arises not from the citizenship of the parties, but from the fact that the complainants have a right guaranteed to them by

act of Congress, which right is the exclusive use of their registered trade-marks against the claims of all other persons to use the same. If it be admitted that the complainants are entitled to the exclusive use of the trade-marks mentioned in the bill otherwise than by act of Congress, a matter which, in our view of the case, it is not necessary to determine, and that the defendants have used them upon tobacco of their manufacture without the consent of the complainants, they do not derive that right of exclusive use from any statute of the United States. *Their right under the laws of the United States is the right to use these registered trade-marks in foreign commerce.* Act March 3, 1881 (U. S. St. at L., 502). *The bill in this case nowhere asserts that the defendants have used these registered trade-marks in foreign commerce, nor does the proof show a single instance of such use on their part.* Under these circumstances, since the parties to the suit are citizens of the same State, *and since the only right guaranteed to complainants by the laws of the United States is the right to use exclusively their registered trade-marks in foreign commerce, which right it is not alleged the defendants have infringed,* it seems the court is without jurisdiction in the matter. The complainants may be entitled to the exclusive use of these registered trade-marks at common law, or under some State statute, and, if they were citizens of different States, might possibly file this bill here; but, under the state of facts above set forth, we think the bill must be dismissed for want of jurisdiction, and it is so ordered."

In *Luyties* v. *Hollender,* 21 Fed. Rep., 281, Judge Wheeler said:

"Rights and remedies pertaining to trade-marks generally depend upon the laws of the State, common and statutory, and not upon the laws of the United States. (*Trade-Mark Cases,* 100 U. S.) The laws of the United States, now in force, under which this trade-mark was registered, relate only to trade-marks specially used

in commerce with foreign nations or with the Indian tribes. Act of March 3, 1881 (21 St. a L., Chap. 137, Sec. 1). They are particularly restricted so as not to give cognizance to any court of the United States in an action or suit between citizens of the same State, unless the trade-mark in controversy is used on goods intended to be transported to a foreign country, or in lawful commercial intercourse with an Indian tribe. (*Id.*, Sec. 11.) *The goods on which the trade-mark in question is used are not intended to be transported to any foreign country, nor for any Indian tribe, but are mineral waters sold for consumption in the City of New York;* and the parties are all citizens of the State of New York.

"As this case is now presented, the orators are not entitled to maintain it in this court, and this motion for a preliminary injunction must be denied."

In *Hennessey et al.* v. *Braunschweiger & Co.*, 89 Fed. Rep., 664, Judge Hawley said:

"These propositions, as was said in the *Trade-Mark Cases,* are so well understood as to require neither the citation of authorities nor an elaborate argument to prove them. Interpreting the various provisions of the Act of 1881 in the light and reason afforded by the decided cases, my conclusion is that the complaint does not state a cause of action against the respondent for an infringement of complainants' trade-mark; that complainants, in order to enable them to maintain this suit, are not required to aver that the parties were engaged 'in foreign commerce or commerce with Indian tribes'; and that such averment is essential only in cases where the action or suit is between citizens of the same State. It follows from the views expressed that the protection afforded to trade-marks under the common law, by the United States courts, is ample, and that registration under the Act of 1881 is of but little, if any, value, except for the purpose of creating a permanent record of the date of adoption and use of

the trade-mark, or in cases where it is necessary to give jurisdiction to the United States courts."

See also *Elgin National Watch Co.* v. *Illinois Watch-Case Co.*, 199 U. S., 365, and *Trade-Mark Cases*, 100 U. S., 82.

THE TESTIMONY.

2. *The proofs in the case do not show that the complainant ever used his alleged trade-mark in foreign commerce, or in commerce with an Indian tribe, since the two consignments to Australia referred to in the declaration filed in the United States Patent Office in November, 1882, for the purpose of obtaining registration.*

3. *The testimony is silent as to any use by the defendants of the designation charged to infringe, either in foreign commerce or commerce with an Indian tribe.*

4. *The testimony shows no sales by defendant of a medicinal preparation having the designation charged to infringe, except in the City of Chicago in the Northern District of Illinois, and there is no suggestion anywhere in the record that the medicinal preparations of the defendants having the designation charged to infringe were intended to be used in commerce with foreign nations or with Indian tribes.*

The showing of the pleadings and the showing of the testimony are considered separately for the reason that it is not clear from the decisions of this court first cited whether the testimony is examined by the court on a motion of this nature. At all events, it is not likely that the court will desire to examine into the testimony if the pleadings alone have made it clear that no appeal lies.

The testimony with reference to the use by the complainant of his alleged trade-mark in foreign commerce is in substance as follows:

Mr. Warner, the original complainant, testified to a sale in September, 1881, to W. H. H. Lane, of Sydney, New South Wales, which he said was the first sale to anyone in a foreign country (Rec., p. 33), and Mr. Ramsey, another witness for the complainant, testified to the same sale and to a second one in the early part of 1882, the latter being to Hatton & Laws of Lounceton, Tasmania. The shipment took place March 29, 1882 (Rec., pp. 39-40). Further reference to the second sale is to be found in the same deposition on pages 41, 42 and 43. On page 37 of the record Mr. Ramsey is asked the following question:

> "Q. If you know, state when Wm. R. Warner & Co. used this trade-mark in commerce with foreign nations."

To this he replied:

> *"Prior to application for registration."*

There is not a word of testimony to the effect that Wm. R. Warner & Co. ever used the alleged trade-mark in commerce with foreign nations or with Indian tribes at any later time. The application for registration was made November 18, 1882 (Rec., pp. 164-166), and the declaration forming part of the trade-mark application and sworn to on the 2nd day of December, 1882, refers to New South Wales and *Victoria* as the foreign countries in commerce with which the trade-mark had been particularly used. Apparently *Victoria* should have read *Tasmania.* On page 18 of the record, Mr. Remick, in answer to Q.-5, which inquired as to the efforts of Wm. R. Warner & Co. toward introducing "Pancreopepsine," mentioned advertising the preparation through the drug and medical journals of this and *other countries;* sending special literature to *different parts of the world* to physicians, and giving away special advertising matter and samples to physicians at various world's fairs *in many countries.*

He says nothing, however, to the effect that any sales were made in foreign countries, nor as to when the acts he mentions took place.

The sole proof of alleged infringement by the defendants is confined to proof of sales by them of their medical preparations with the designation complained of in the city of Chicago, as may be seen by the depositions of Messrs. Benson, Thorburn, Remick and Stolze (pp. 11 to 31 of the record). For the sale referred to by Mr. Benson, see pp. 11 and 12, Q. 6-11; for the testimony of Mr. Thorburn on the subject, see page 17, Q. 10-12; for the testimony of Mr. Remick on the subject, see p. 20, Q. 14-16; and for the testimony of Mr. Stolze on the subject, see p. 29, Q. 4-7.

Thus, it will be seen that this case, regarded from every aspect, rested from beginning to end upon the alleged common law trade-mark of the complainant, and in no sense whatever upon the registered trade-mark, so that the jurisdiction of the United States Circuit Court was dependent *entirely* upon the opposite parties to the suit being citizens of different States. This being true, it seems obvious that this court is without appellate jurisdiction of the case, and that the appeal should accordingly be dismissed.

Respectfully submitted.

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